Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 065354

44
ORIGIN EB-11

INFO OCT-01 ARA-11 ADP-00 CIAE-00 COME-00 DODE-00 FMC-04

INR-10 NSAE-00 RSC-01 CG-00 COA-02 L-03 AID-20 /063 R

DRAFTED BY EB/ MA: JPSTEINMETZ: SRP
4/9/73 EXT. 20703
APPROVED BY EB/ MA - RONALD A. WEBB
MARAD - RBOURDON (INFO)
FMC - MTRUPP
ARA/ CEN - SLIPPE
---------- 020384
R 091950 Z APR 73
FM SECSTATE WASHDC
TO AMEMBASSY MANAGUA

LIMITED OFFICIAL USE STATE 065354

E. O. 11652: N/ A
TAGS: ETRN, NU, US
SUBJECT: US- NICARAGUAN SHIPPING PROBLEMS

REF: (A) STATE 70751, (24 APRIL, 1972); (B) STATE 219776

1. DELTA LINES IN RECENT LETTER TO FEDERAL MARITIME COMMISSION (FMC) HAS COMPLAINED ABOUT NICARAGUAN CARGO RESERVATION LAW NO. 299 OF MARCH 24, 1972 AND IMPLEMENTING REGULATIONS PUBLISHED APRIL 26, 1972. THE COMPLAINT RESULTS FROM THE FACT DELTA LINES RECENTLY INAUGURATED GULF SERVICE TO CENTRAL AMERICA WITH TRANSSHIPMENT OF NICARAGUA- DESTINED CARGOES OVERLAND FROM PUERTO CORTES, HONDURAS AND IS EXPERIENCING DIFFICULTIES IN GENERATING CARGOES AS A RESULT OF NICARAGUAN CARGO RESERVATION MEASURES.

2. - THE DEPARTMENT IS AWARE THAT DELTA LINES OFFICIALS VISITED MANAGUA ON SEVERAL OCCASIONS RECENTLY TO DISCUSS THIS PROBLEM WITH GON OFFICIALS. WE ALSO UNDER-

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

AGENT TO HANDLE CARGO MATTERS AND ACCORDINGLY HAS NOT ACTIVELY SOLICITED NICARAGUAN CARGOES DESTINED FOR THE US. PRESENTLY, HOWEVER, NICARAGUAN- DESTINED CARGOES FROM THE US, PARTICULARLY THOSE WIDELY DEFINED BY THE DECREE AS GOVERNMENT CARGOES, ARE BEING CHANNELED TO THE

NICARAGUAN CARRIER TO THE DETRIMENT OF DELTA LINES.

3. THE VIEWS OF THE USG REGARDING LAW NO. 299 WERE TRANSMITTED TO THE GON BY THE EMBASSY IN ITS DIPLOMATIC NOTE NO. 28 OF APRIL 26, 1972. HOWEVER, OUR RECORDS INDICATE THERE HAS BEEN NO RESPONSE FROM THE GON TO THE EMBASSY' S NOTE.

4. HERETOFORE, THE ABSENCE OF AMERICAN FLAG SERVICE FROM THE US GULF AND ATLANTIC TO NICARAGUA HAS SOMEWHAT LIMITED OUR ABILITY TO EFFECTIVELY COUNTER NICARAGUAN ACTIONS WHICH ARE ADVERSELY AFFECTING OUR TRADE. INAUGURATION OF DELTA; S OPERATIONS CHANGES THIS SITUATION.

5. DRAWING ON GUIDANCE PROVIDED IN PARAGRAPHS A, B, C, AND E OF REFTEL A, THE EMBASSY, AT ITS DISCRETION, IS REQUESTED TO INFORMALLY DISCUSS THIS PROBLEM WITH THE APPROPRIATE GON AUTHORITIES AND REITERATE USG CONTINUING CONCERN WITH THE DISCRIMINATORY AND OVERLY RESTRICTIVE ASPECTS OF THE NICARAGUAN CARGO RESERVATION LAW, THE APPLICATION OF WHICH IS ADVERSELY AFFECTING DELTA STEAM-SHIP LINES AND AMERICAN SHIPPERS. THE EMBASSY SHOULD REFRAIN FROM DISCUSSING ARTICLE 8 OF THE DECREE LAW (SEE PARA. D, REFTEL A). HOWEVER, IF THE GON OFFICIALS BROACH THE SUBJECT OF AN INTERLINE AGREEMENT, EMBASSY OFFICIALS SHOULD STATE THE DECISION TO ENTER INTO SUCH AN AGREEMENT IS ONE FOR THE COMMERCIAL PARTIES CONCERNED TO DECIDE AND WOULD BE SUBJECT TO APPROVAL BY THE INDEPENDENT REGULATORY BODY, THE FEDERAL MARITIME COMMISSION. THE EMBASSY SHOULD ALSO, AS APPROPRIATE, BRING TO THE ATTENTION OF GON OFFICIALS THE INFORMATION SET FORTH IN PARA 4, REFTEL B, BEGINNING THIRD SENTENCE WHICH READS " BARRING ANY MODIFICATION ...". IN THIS REGARD, IT SHOULD BE EMPHASIZED THAT UNDER SECTION 19 OF THE MERCHANT MARINE ACT, 1920, AND IRRESPECTIVE OF THE PROPOSED IMPLEMENTING REGS FOR THIS SECTION, THE FMC IS STATUTORILY REQUIRED TO

TAKE COUNTERVAILING MEASURES TO MEET ANY UNFAVORABLE

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

CONDITIONS TO US SHIPPING IN OUR FOREIGN TRADE RESULTING FROM FOREIGN LAWS, RULES OR REGULATIONS.

-

6. ASIDE FROM THE FOREGOING, THE DEPARTMENT HAS NOTED IN MANAGUA 1243 THAT SEA- LAND HAS INITIATED US FLAG SERVICE TO NICARAGUA VIA PANAMA. WE WOULD BE INTERESTED IN RECEIVING ANY INFORMATION AS TO WHETHER SEA- LAND' S OPERATION TO NICARAGUA IS BEING ADVERSELY AFFECTED BY DECREE NO. 299 AND IMPLEMENTING REGULATIONS.

7. THE DEPARTMENT RECOGNIZES THAT AS A RESULT OF THE MANAGUA EARTHQUAKE BOTH THE GON AND EMBASSY ARE NOT OPERATING UNDER NORMAL CONDITIONS. HOWEVER, WE WOULD APPRECIATE THE EMBASSY DISCUSSING THIS MATTER WITH THE GON AT ITS EARLIEST CONVENIENCE AND ADVISING THE DEPARTMENT ACCORDINGLY.

8. DEPARTMENT POUCHING COPIES OF REFTELS TO ECONOMIC SECTION FOR EMBASSY' S CONVENIENCE. ROGERS

LIMITED OFFICIAL USE

*** Current Handling Restrictions *** n/a
*** Current Classification *** LIMITED OFFICIAL USE

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 09 APR 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973STATE065354
Document Source: CORE
Document Unique ID: 00
Drafter: JPSTEINMETZ: SRP
Enclosure: n/a
Executive Order: n/a
Errors: n/a
Film Number: n/a
From: SECSTATE WASHDC
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730436/aaaahvvq.tel
Line Count: 139
Locator: TEXT ON-LINE
Office: ORIGIN EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 73 STATE 70751, (24 APRIL, 197, (B) STATE 219776
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 23 JAN 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <23-Jan-2002 by shawdg>; APPROVED <22 FEB 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> gwr 971209
Subject: US- NICARAGUAN SHIPPING PROBLEMS
TAGS: ETRN, NU, US, ETRN
To: MANAGUA
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005